

FISCAL NOTE

SB 347 - HB 1205

March 29, 2007

SUMMARY OF BILL: Enacts the “Public-Private Transportation Act of 2007.” Authorizes the state and local jurisdictions to enter into contracts with private entities to operate certain transportation facilities subject to oversight regulation by the Department of Transportation (TDOT).

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The fiscal impact of this bill is dependent upon multiple unknown factors. As a result, a precise estimate cannot be determined. However, the net increases to state and local government expenditures are reasonably estimated to exceed \$1,000,000 and \$500,000 per year respectively. Any such increase to local government expenditures are considered permissive.

Assumptions:

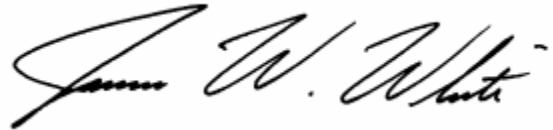
- “Transportation facility” means any road, bridge, tunnel, overpass, ferry, airport, mass transit facility or similar commercial facility used for the transportation of persons or goods, together with any other property that is needed to operate the same, but shall exclude railroads, railroad-related facilities and pipelines owned by a public utility and rail mass transit facilities owned by an interstate compact agency.
- TDOT and other public entities are authorized to assess application fees for recovering portions of administrative costs incurred as a result of implementing the provisions of this act.
- According to TDOT, departmental expenditures would increase by a significant unknown amount as a result of reviewing unsolicited applications from multiple private entities, reviewing requests for certificates as a result of applications approved by 95 counties and more than 650 municipalities, for conducting open meetings in affected areas, and for regulation and oversight of private entities with which the department has entered into contracts.
- The fiscal impact of this bill is dependent upon multiple unknown factors such as (1) the number of public-private agreements entered into by the state, (2) the number of public-private agreements entered into by the counties and municipalities of the state, (3) the scope of qualified

transportation facility projects (QTFP) undertaken, (4) the timeliness and ability of multiple private entities to provide material and information as required, (5) the timeliness and ability of multiple private entities to acquire, construct, or improve any QTFP, and (6) the extent of regulation and oversight required of TDOT for an unknown number of projects.

- Given the extent of multiple unknown factors, a precise fiscal estimate for this bill cannot be determined. However, the net increases to state and local government expenditures (after the collection of any authorized application fees) are reasonably estimated to exceed \$1,000,000 and \$500,000 per year respectively.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director